

At the 4/17/19 Council meeting,

Committee Report 111

and

Bill 13, CD1

were recommitted back to the

Committee on Budget

REPORT OF THE COMMITTEE ON BUDGET

Voting Members:

Joey Manahan, Chair; Kymberly Marcos Pine, Vice-Chair;
Michael Formby, Carol Fukunaga, Ron Menor, Heidi Tsuneyoshi

Committee Meeting Held
April 3, 2019

Honorable Ann H. Kobayashi
Interim Chair, City Council
City and County of Honolulu

Madam Chair:

Your Committee on Budget, which considered Bill 13 (2019) entitled:

"A BILL FOR AN ORDINANCE RELATING TO COLLECTION AND DISPOSAL
OF REFUSE,"

transmitted by Mayor's Message 15 (2019), dated March 1, 2019, by the Office of the Mayor, which passed First Reading at the March 8, 2019 Council meeting, reports as follows:

The purpose of the bill is to authorize the City to charge for City-provided refuse collection and disposal services.

The Managing Director provided comments on the bill and noted the difficulty of imposing new fees and increases to City residents. The Managing Director further noted, however, that the City Administration believes that these proposals are necessary to better position the City to confront the many challenges/issues the City may face.

Your Committee received comments from the United Public Workers and one individual. Written testimony in opposition to the bill was received from six individuals.

Your Committee considered and approved a CD1 version of the bill which makes the following amendments:

- A. Combines SECTION 2 and 3 of the bill and rennumbers remaining SECTIONS of the bill accordingly.

CITY COUNCIL
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ADOPTED ON _____

COMMITTEE REPORT NO. 111

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- B. Changes all proposed new charges and proposed increased charges, surcharges, and fees to unspecified amounts throughout the bill.
- C. Designates the table in the first new ROH Section being created in SECTION 2 of the bill as ROH Section 9-4.____(d) ("Schedule of charges").
- D. In renumbered SECTION 8 of the bill, further amends ROH Section 9-4.3(a)(1) by replacing the phrase "the date of the bill" with "the effective date of this ordinance".
- E. In renumbered SECTION 10 of the bill, specifies that in renumbered SECTION 8 of the bill that that the Revisor of Ordinances shall, pursuant to the Revisor's authority under Section 1-16.3(b)(1), Revised Ordinances of Honolulu 1990, replace the phrase "effective date of this ordinance," with the actual effective date of the ordinance upon its enactment.
- F. Makes miscellaneous technical and nonsubstantive amendments and other conforming amendments.

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REPORT OF THE COMMITTEE ON BUDGET

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Your Committee on Budget is in accord with the intent and purpose of Bill 13 (2019), as amended herein, and recommends that it pass Second Reading, be scheduled for a public hearing, and thereafter be referred back to Committee in the form attached hereto, as Bill 13 (2019), CD1. (Ayes: None; Ayes with reservations: Manahan, Formby, Fukunaga, Menor, Tsuneyoshi – 5; Noes: None; Excused: Pine – 1.)

Respectfully submitted,



Committee Chair

At the 4/17/19 Council meeting, Committee Report 111 and Bill 13, CD1 were recommitted to the Committee on Budget.

Committee Report No. 111 not adopted and superseded by Committee Report No. 133.

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
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ADOPTED ON _____

COMMITTEE REPORT NO. 111



A BILL FOR AN ORDINANCE

RELATING TO COLLECTION AND DISPOSAL OF REFUSE.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose and intent. The purpose of this ordinance is to authorize the City to charge for City-provided refuse collection and disposal services.

SECTION 2. Chapter 9, Article 4, Revised Ordinances of Honolulu 1990 ("Collection and Disposal Charges"), is amended by adding two new sections to be appropriately designated by the Revisor of Ordinances and to read as follows:

"Sec. 9-4. Collection and drop off disposal charges for dwelling units, accessory dwelling units or multi-unit residential buildings.

- (a) A monthly charge will be assessed per dwelling unit, accessory dwelling unit, or dwelling unit within a multi-unit residential building for all refuse collected and removed by the division on regularly scheduled collection days by automated or manual collection from such dwelling units, accessory dwelling units, or multi-unit dwelling units, in accordance with the schedule in subsection (d).
- (b) A charge will be assessed per dwelling unit, accessory dwelling unit, or dwelling unit within a multi-unit residential building for all bulky waste collected and removed by the division through the appointment system from such dwelling units, accessory dwelling units, or multi-unit residential buildings in accordance with the schedule in subsection (d).
- (c) A charge will be assessed for the drop off and disposal of refuse and other solid wastes at convenience centers and transfer stations from dwelling units, accessory dwelling units, or multi-unit residential buildings not receiving curbside automated or manual refuse collection service from the city, as described in subsection (a), in accordance with the schedule in subsection (d).



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(d) Schedule of charges.

	<u>Monthly Charge</u>	<u>Effective date</u>
<u>Automated Collection Service</u>		
<u>Dwelling Unit, Basic Package:</u> <u>1 refuse cart, 1 mixed recyclable</u> <u>materials cart, and 1 green waste</u> <u>cart.</u>	\$ _____ <u>per dwelling unit</u>	<u>January 1, 2020</u>
<u>Dwelling Unit, Additional Carts:</u> <u>Up to 2 additional carts (up to a</u> <u>combined maximum total of 5</u> <u>carts per dwelling unit).</u>	\$ _____ <u>per cart</u>	<u>January 1, 2020</u>
<u>Accessory Dwelling Unit</u> <u>Package: 1 refuse cart and 1</u> <u>mixed recyclable materials cart.</u> <u>Additional carts not permitted.</u>	\$ _____ <u>per accessory dwelling unit</u>	<u>January 1, 2020</u>
<u>Manual Collection Service</u>		
<u>Dwelling Unit</u>	\$ _____ <u>per dwelling unit</u>	<u>January 1, 2020</u>
<u>Accessory Dwelling Unit</u>	\$ _____ <u>per accessory dwelling unit</u>	<u>January 1, 2020</u>
	<u>Unit Charge</u>	<u>Effective Date</u>
<u>Bulky Item Collection Service</u>		
<u>Dwelling Unit</u>	\$ _____ <u>per ½ cubic yard</u>	<u>For these four unit charges,</u> <u>the effective date will be the</u> <u>date that the appointment-</u> <u>based bulky waste collection</u> <u>procedures is established by</u> <u>the director</u>
<u>Up to 1 cubic yard per collection</u> <u>appointment permitted.</u>	\$ _____ <u>per 1 cubic yard</u>	
<u>Accessory Dwelling Unit</u>	\$ _____ <u>per ½ cubic yard</u>	
<u>Up to 1 cubic yard per collection</u> <u>appointment permitted.</u>	\$ _____ <u>per 1 cubic yard</u>	



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	<u>Unit Charge</u>	<u>Effective Date</u>
<u>Disposal Site Use</u>		
Dwelling Unit <u>Unlimited use of any convenience center or transfer station to drop off refuse or recyclables.</u>	\$ _____ per month	<u>January 1, 2020</u>
Accessory Dwelling Unit <u>Unlimited use of any convenience center or transfer station to drop off refuse or recyclables.</u>	\$ _____ per month	<u>January 1, 2020</u>

- (e) Automated or manual collection and disposal site use charges under this section will be billed to the sewer system customer liable for payment of sewer service charges for the dwelling unit, accessory dwelling unit, multi-unit residential building, or association of apartment owners of a multi-unit residential building; or to account applicants or properties not otherwise included.
- (f) Bulky item collection charges must be paid in advance by the requestor in advance of collection pursuant to appointment-based bulky waste collection procedures established by the director.

Sec. 9-4. Collection charges for multi-unit residential buildings and nonprofit organizations that utilize 3-cubic yard container front-loader services.

A monthly charge will be assessed, for each 3-cubic-yard container, for all refuse collected and removed by the division on regularly scheduled collection days by front-loader service in owner-provided 3-cubic-yard containers from multi-unit residential buildings and nonprofit organizations in accordance with the following schedule:

<u>Front Loader Service (for each 3-cubic-yard container collected)</u>	<u>Monthly Charge</u>	<u>Effective date</u>
	\$ _____	<u>January 1, 2020</u>



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SECTION 3. Section 9-1.2, Revised Ordinances of Honolulu 1990 ("Definitions"), is amended by adding new definitions of "accessory dwelling unit," "dwelling unit," and "nonprofit organization" to be appropriately inserted and to read as follows:

"Accessory dwelling unit" means the same as defined under Section 21-10.1.

"Dwelling unit" means the same as defined under Section 21-10.1.

"Nonprofit organization" means an association, corporation, or other entity, organized and operated exclusively for religious, charitable, scientific, literary, cultural, educational, recreational, or other nonprofit purposes, no part of the assets, income or earnings of which inures to the benefit of any individual or member thereof, and whose charter or other enabling act contains a provision that, in the event of dissolution, the assets owned by such association, corporation or other entity will be distributed to another association, corporation, or other entity organized and operated exclusively for nonprofit purposes, and which further qualifies for exemption from the general excise tax provisions of HRS Chapter 237, as amended, and under Section 501 of the Internal Revenue Code of 1986, as amended."

SECTION 4. Section 9-1.5, Revised Ordinances of Honolulu 1990, is amended to read as follows:

"Sec. 9-1.5 Limitations to collection by refuse crews.

The division shall not collect:

- (a) Any soil, rock, concrete, explosives, liquids, radioactive materials, construction debris, demolition debris, commercial cooking oil waste, or commercial FOG waste; except that used oil may be collected under a curbside collection service established pursuant to Section 2-8.2;
- (b) Any refuse, green waste, and other recyclable materials as designated by the director not prepared for collection as provided by Section 9-1.4;
- (c) Any refuse, green waste, and other recyclable materials as designated by the director not placed for collection as provided by Section 9-1.4;
- (d) Any rubbish consisting of tree branches, plant cuttings, vines, and other similar materials exceeding one cubic yard in volume for any single regular collection in manual collection areas;



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- (e) Any refuse, green waste, and other recyclable materials as designated by the director placed for collection in a place which is unsafe or is likely to cause injury to the persons collecting said refuse, green waste, and other recyclable materials; or
- (f) Any refuse ~~[from any business]~~, green waste, and other recyclable materials as designated by the director, where the ~~[owner thereof shall have]~~ party liable for the collection charges billed to a business, nonprofit organization, governmental building, dwelling unit, accessory dwelling unit, or multi-unit residential building has failed to pay the [service] collection charges [hereinafter provided:] set forth in this chapter."

SECTION 5. Section 9-3.3, Revised Ordinances of Honolulu 1990, is amended to read as follows:

"Sec. 9-3.3 Service to government buildings.

The division may provide refuse collection services to buildings of the federal, ~~[and] state, and city~~ governments upon request from the authorities responsible for such buildings. The charge for service to such governmental buildings, other than buildings used for residential purposes, ~~[shall]~~ will be that which is applicable to a place of business. For services rendered to buildings used for residential purposes, the charges ~~[shall]~~ will be ~~[established by agreement. Such agreement shall be executed by the director of budget and fiscal services, with the recommendation of the director, on behalf of the city]~~ that which is applicable to dwelling units, accessory dwelling units, or multi-unit residential buildings, as set forth in this chapter."



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SECTION 6. Section 9-4.1, Revised Ordinances of Honolulu 1990, is amended to read as follows:

"Sec. 9-4.1 Collection charges for businesses[.] and nonprofit organizations.

(a) For Refuse Generated by Businesses and Nonprofit Organizations and Collected by Manual Collection.

(1) Unit Charges for Collection.

(A) Unit Charge for Collection Not Exceeding Two Times Per Week. For all refuse collected and removed by the division on regularly scheduled collection days from places of business[.] and nonprofit organizations, but not exceeding two times per week, there shall be a unit charge or a minimum charge, whichever is greater, assessed against each business and nonprofit organization served by the division in accordance with the following schedule:

Unit Charge (per cubic foot)	Minimum Charge (per month or fraction thereof)	Effective Date
[\$1.00] \$ _____	[\$30.00] \$ _____	[July 1, 1997] <u>January 1, 2020</u>

(B) Unit Charge for Collection In Excess of Two Times Per Week. For all refuse collected and removed by the division on regularly scheduled collection days from places of business and nonprofit organizations in excess of two times per week, there will be a unit charge or a minimum charge, whichever is greater, assessed against each business and nonprofit organization served by the division in accordance with the following schedule:

Unit Charge (per cubic foot)	Minimum Charge (per month or fraction thereof)	Effective Date
\$ _____	\$ _____	<u>January 1, 2020</u>



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- (C) Unit Charge for Pre-Paid Collection Bags. The director may authorize businesses and nonprofit organizations to use pre-paid collection bags purchased in advance to be used in lieu of other manual collection methods. Pre-paid collection bags must be used in accordance with and collected under procedures determined by the director. The business or nonprofit organization using pre-paid collection bags will be assessed a base charge for collection service and a unit charge for each pre-paid collection bag. The base charge and unit charge assessed against each business and nonprofit organization using the pre-paid collection bags will be in accordance with the following schedule:

<u>Unit Charge</u> <u>(per bag)</u>	<u>Base Charge for collection</u> <u>service</u> <u>(per month or</u> <u>fraction thereof)</u>	<u>Effective Date</u>
\$ _____	\$ _____	<u>January 1, 2020</u>

- (2) Volumes of refuse ~~[shall]~~ will be based on monthly averages determined by periodic measurements. New accounts ~~[shall]~~ will be charged the minimum charge specified in ~~[paragraph]~~ subdivision (1) [of this-subsection] per month during the period that the monthly average volume is being determined; provided, that after the average monthly volume is determined, retroactive adjustment of charges over the minimum may be made if deemed to be warranted, such determination to be made by the director ~~[of finance]~~.
- (b) For Refuse Generated by Businesses and Nonprofit Organizations and Collected by Automated Collection with 90-Gallon City-Issued Carts:
- (1) Cart Deposit Charge. An initial cart deposit fee ~~[shall]~~ will be charged for each business and nonprofit organization cart. Upon return of the cart to the city refuse division, a portion of the cart deposit fee shall be returned to the business or nonprofit organization. The difference between the deposit fee and the deposit return shall be retained by the city for administrative handling, including cart delivery. Carts are the responsibility of the business owner or nonprofit organization. Damaged carts under warranty will be repaired or replaced by the city. The city will collect the deposit fee for all carts issued to businesses and nonprofit organizations, including the carts issued prior to July 1, 1997.



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Deposit Fee
(per cart)
\$90.00

Deposit Return
(per cart)
\$70.00

Effective Date
July 1, 1997

- (2) Unit Charge. ~~[The unit charge for collection will be according to the following schedule:]~~ There will be a monthly unit charge or a minimum charge, whichever is greater, assessed against each entity served by the division for all refuse collected and removed by the division from places of business and nonprofit organizations on regularly scheduled collection days, which will not exceed two times per week, in accordance with the following schedule:

Monthly Unit
Charge
(per cart)
\$75.00

Minimum Charge
(per month or
fraction thereof)
\$75.00

Effective Date
July 1, 1997

- (3) New Account Charge. New accounts ~~[shall]~~ will be charged the minimum charge specified in ~~[paragraph]~~ subdivision (2) ~~[of this subsection].~~

SECTION 7. Section 9-4.2, Revised Ordinances of Honolulu 1990 ("Disposal charges for businesses and federal, state and city agencies"), is amended by amending subsection (e) to read as follows:

- "(e) In addition to the charges outlined in subsections (a) and (b), there ~~[shall]~~ will be a surcharge of ~~[42]~~ ____ percent on those charges. The ~~[42]~~ ____ percent surcharge ~~[shall]~~ will also be applied to the charge that the city pays for disposing of refuse and other solid wastes at the H-POWER facility. All charges collected in accordance with this subsection ~~[shall]~~ will be deposited into the recycling account of the solid waste special fund established by Section 6-49.1."

SECTION 8. Section 9-4.3, Revised Ordinances of Honolulu 1990, is amended to read as follows:

"Sec. 9-4.3 Payments of charges.

- (a) Collection and ~~[disposal charges shall]~~ Disposal Charges.



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- (1) Collection charges for all refuse collected by the division, except bulky wastes, will be billed in advance by the director or the director's designated billing agency, such determination to be made by said director, and must be paid within 30 days after the effective date of this ordinance.
- (2) Collection charges for bulky wastes collected by the division must be paid in advance by the requestor in advance of collection pursuant to appointment-based bulky waste collection procedures established by the director.
- (3) Disposal charges must be paid at the time of disposal or will be billed monthly or bimonthly by the director [of budget and fiscal services] or the director's designated billing agency, such determination to be made by said director. Charges billed [shall] must be paid within 30 days after the date of the bill.
- (b) Billed charges not paid within 30 days [shall] will become delinquent and [shall] will be subject to interest at the rate of one percent per month for each month or fraction thereof that such charges remain delinquent.
- (c) If partial payment of a delinquent charge is made, the amount received [shall] will first be credited to interest and then to principal.
- (d) All monies collected under this section will be deposited into the solid waste special fund established by Section 6-49.1."

SECTION 9. Section 9-4.4, Revised Ordinances of Honolulu 1990, is amended to read as follows:

"Sec. 9-4.4 Failure to pay charges.

- (a) The director shall discontinue collection and disposal service to any business, nonprofit organization, government building, dwelling unit, accessory dwelling unit, or multi-unit residential building for failure to pay any charge when due. The director shall resume service upon request for reinstatement of service by the business, nonprofit organization, authority responsible for the government building, dwelling unit, accessory dwelling unit, or multi-unit residential building and upon payment to the director of budget and fiscal services of all delinquent charges including interest. There [shall] will be a service reinstatement fee of [\$10.00] \$ _____ which [shall] must be paid to the director of budget and fiscal services at the time request for reinstatement of service is made.



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(b) A service fee of \$25.00 will be charged for handling a dishonored check."

SECTION 10. Ordinance material to be repealed is bracketed and stricken. New material is underscored. When revising, compiling, or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the Revisor of Ordinances need not include the brackets, the material that has been bracketed and stricken, or the underscoring. In SECTION 8 of this ordinance, the Revisor of Ordinances shall, pursuant to the Revisor's authority under Section 1-16.3(b)(1), Revised Ordinances of Honolulu 1990, replace the phrase "effective date of this ordinance," with the actual effective date of this ordinance.



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SECTION 11. This ordinance takes effect upon its approval; provided that
SECTIONS 2 through 6, 8, and 9 take effect on January 1, 2020.

INTRODUCED BY:

Ann Kobayashi (br)

DATE OF INTRODUCTION:

March 1, 2019
Honolulu, Hawaii

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____ day of _____, 20____.

KIRK CALDWELL, Mayor
City and County of Honolulu